Employee vs. Independent Contractor in Quebec

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Executive Summary

In Quebec, **employee** and **independent contractor** are legal and factual classifications, not menu options that a payer and worker can settle by changing an invoice or contract heading. Revenu Québec states that the parties' agreement does not control status and evaluates **six criteria**, with effective subordination the most important (revenuquebec.ca (revenuquebec.ca). The practical question is who has the right to direct the work, alongside financial risk, tools, integration, a defined result, and whether conduct matches the stated relationship.

Three lenses matter. **Revenu Québec** applies its six-factor provincial tax analysis. The **Canada Revenue Agency (CRA)** uses a Quebec-specific three-step approach for Canada Pension Plan and Employment Insurance purposes, comparing intent, Civil Code of Québec concepts, and actual conduct (canada.ca). The **CNESST** separately examines the employment or service contract and can treat a person who is otherwise self-employed as a worker for occupational injury coverage when the statutory conditions apply (cnesst.gouv.qc.ca). A conclusion under one program should therefore not be assumed to decide every other program.

The financial difference is measurable but is not itself the classification test. In **2026**, regular Quebec Pension Plan contributions are **6.30% each** for employee and employer, while a self-employed person bears both shares (revenuquebec.ca (retraitequebec.gouv.qc.ca). At income of **$85,000 or more**, Retraite Québec illustrates total maximum QPP contributions of **$4,895 for an employee** and **$9,790 for a self-employed worker** (retraitequebec.gouv.qc.ca). Quebec's 2026 employee Employment Insurance rate is **1.30%**, with a maximum employee premium of **$895.70** and employer premium of **$1,253.98** (canada.ca).

The safest operating sequence is to document the **real proposed relationship before onboarding**, test it under all three lenses, and seek a ruling when material indicators conflict. A worker or payer ordinarily has until **June 29 of the following year** to request a CPP/EI ruling (canada.ca). Revenu Québec also provides status-determination forms (revenuquebec.ca). Until a determination is obtained, the file should preserve the contract, invoices, schedules, work logs, tool ownership, expense exposure, client mix, and proof of how decisions were actually made.

Introduction and Background

For a Montreal founder, agency, or professional practice, worker classification changes more than the format of payment. Employee status normally brings payroll withholding, employer contributions, pay statements, labour standards, and automatic occupational injury coverage. Genuine self-employment normally places business expenses, invoicing, tax instalments, and both Quebec Pension Plan shares on the individual, while some public protections are optional or unavailable. The Civil Code anchors the distinction: an employment contract involves remunerated work under another person's direction or control, while a service provider is not subordinate to the client (legisquebec.gouv.qc.ca (legisquebec.gouv.qc.ca).

This is a **no-self-diagnosis zone** in the practical sense. The tables below organize evidence, but they cannot promise an outcome. Facts can point in different directions, agencies administer different statutes, and a written intention matters only when conduct supports it. Éducaloi likewise cautions that a status label in a contract or government form is not decisive (educaloi.qc.ca).

The report answers four operational questions:

- **What status fits?** Examine the real allocation of control, risk, tools, integration, results, and independence.
- **Which agency matters?** Test provincial tax, federal CPP/EI, labour standards, and occupational injury coverage separately.
- **What evidence is needed?** Preserve contemporaneous records of both the written arrangement and daily practice.
- **What happens next?** Use the appropriate employee payroll path, contractor business path, or agency ruling process.

Employee Under the Quebec Framework

Capabilities and legal characteristics

An employee supplies personal work for remuneration within a relationship of subordination. **Subordination** means more than constant supervision. It includes the payer's right to determine the result sought, methods, schedule, location, reporting, training, or workplace rules. The CRA describes this as the payer's right to control the worker's activities (canada.ca). The Barreau du Québec's business-start guide similarly calls subordination the most determinative element (barreau.qc.ca).

Employee indicators commonly include:

- **Control:** the payer can assign tasks, set hours, require attendance, prescribe methods, or approve absences.
- **Economic dependence:** compensation is regular and the worker has little ability to increase profit through management decisions.
- **Tools:** the payer supplies core systems, equipment, licences, premises, and reimburses operating costs.
- **Integration:** the worker fills an ongoing function inside the payer's organization rather than delivering an external result.
- **Personal service:** the worker cannot freely hire a substitute or organize helpers at their own cost.
- **Continuity:** work persists as part of operations after one deliverable is complete.

None is conclusive alone. Even owning a laptop does not automatically create contractor status (bdc.ca). The analysis looks at the entire relationship, with control carrying particular weight in Quebec.

Adoption, obligations, strengths and limitations

Once employment is established, the payer enters payroll. Federally, the employer calculates income tax, Canada Pension Plan or Quebec Pension Plan coordination, and Employment Insurance deductions, plus its own shares (canada.ca). In Quebec, provincial income tax goes to Revenu Québec (canada.ca).

The onboarding file should include:

- **Provincial tax form:** obtain **TP-1015.3-V** for source deductions (revenuquebec.ca).
- **Federal tax forms:** obtain completed **TD1 forms before first pay** (canada.ca).
- **Employer accounts:** register for Quebec source deductions and a CRA payroll account before the applicable first remittance deadline (revenuquebec.ca (canada.ca).
- **Pay documentation:** provide a statement of earnings at each pay (cnesst.gouv.qc.ca).
- **CNESST:** register within **60 days** after the first worker's first day when the registration rule applies (cnesst.gouv.qc.ca).

The principal strength is a defined compliance and protection structure. For example, Quebec employees are entitled to annual vacation and an indemnity under applicable labour standards (cnesst.gouv.qc.ca). The cost is broader administration and employer contributions. Those costs are consequences of status, not reasons to force a relationship into the other category.

Independent Contractor Under the Quebec Framework

Capabilities and legal characteristics

A genuine independent contractor operates a business and decides how to deliver a promised service or result without a relationship of subordination. Revenu Québec associates self-employment with the possibility of profit and loss, ownership of tools, multiple clients, and a relationship that can end when specified work is complete (revenuquebec.ca (revenuquebec.ca (revenuquebec.ca).

Contractor indicators commonly include:

- **Autonomy:** the provider chooses assignments, working hours, location, and methods (educaloi.qc.ca).
- **Business risk:** fixed-price work, unreimbursed expenses, correction obligations, idle time, and collection risk can produce profit or loss.
- **Own resources:** the provider selects and pays for meaningful tools, software, insurance, training, helpers, and premises.
- **Market presence:** the provider can solicit several clients and is not presented as internal staff.
- **Result-based scope:** acceptance criteria, milestones, price, and change control define the mandate.
- **Delegation:** where the nature and contract permit, a service provider may use a third party while retaining direction and responsibility (legisquebec.gouv.qc.ca).

Adoption, obligations, strengths and limitations

A sole proprietorship is not legally separate from its owner (quebec.ca). If the proprietor operates under a name that does not contain the person's first and last name, Quebec generally requires registration within **60 days** after activities begin (quebec.ca). Registration produces a Quebec enterprise number, or NEQ (quebec.ca).

The contractor path should address:

- **Invoices:** state supplier identity, dates, description, consideration, and applicable tax information; retain supporting invoices and agreements (revenuquebec.ca).
- **Consumption taxes:** the general small-supplier ceiling is **$30,000** over a calendar quarter or the preceding four quarters (revenuquebec.ca).
- **Records:** CRA business records generally remain available for at least **six years** after the end of the relevant last tax year (canada.ca).
- **Contributions:** the self-employed person pays both worker and employer QPP shares and calculates QPP and Quebec Parental Insurance Plan premiums on business net income (revenuquebec.ca).
- **Coverage choices:** genuine self-employed workers are not automatically covered for occupational injury and may request optional personal protection (cnesst.gouv.qc.ca).

Flexibility is the central strength, but it must be real. Genuine self-employed workers are generally outside the Act respecting labour standards (cnesst.gouv.qc.ca). Federal EI special benefits can be elected by qualifying self-employed people, but the agreement ordinarily must be active for **12 months** before eligibility (canada.ca).

Three Agency Lenses and Ruling Paths

Revenu Québec, CRA, and CNESST ask related questions for different statutory purposes. A founder should build one fact file, then map it to each decision rather than assume that a single label controls all programs.

Revenu Québec's six criteria

Revenu Québec names **six main criteria** (revenuquebec.ca):

1. **Effective subordination:** who has the right to direct and control performance.
2. **Financial or economic considerations:** who can profit and who absorbs loss or operating expense.
3. **Ownership of tools:** who supplies and pays for material equipment.
4. **Integration:** whether the worker is part of the payer's operations or operates an external business.
5. **Specific result:** whether the engagement ends with an agreed result.
6. **Parties' relationship:** what the parties intended, only insofar as their behaviour is consistent with it (revenuquebec.ca).

If the parties disagree, they can ask Revenu Québec for a decision. A provincial decision can affect source deductions and employer contributions, so the request should include the complete operating evidence, not merely the signed agreement.

CRA's Quebec-specific three-step approach

The CRA asks first what the parties intended, next applies the Civil Code definitions, and then compares intention with the actual working relationship (canada.ca). The worker, payer, or authorized representative can use **Form CPT1** to request a pensionability or insurability ruling (canada.ca).

During review, the CRA may request contracts, invoices, logs, schedules, pay records, and payment evidence (canada.ca). A worker or payer can appeal a ruling within **90 days** after notification (canada.ca). These routes determine CPP/EI treatment, not every Quebec labour or tax question.

CNESST's worker and deemed-worker analysis

CNESST examines remuneration, subordination, tool ownership, profit or loss risk, and integration when distinguishing employment from services. It then has a separate deemed-worker rule. A self-employed natural person with no employees who performs an activity similar or related to the client's activity can be considered a worker, subject to statutory exceptions. Those exceptions include simultaneous work for several persons, reciprocal services with a similar self-employed person, short jobs for several persons where the person supplies the required equipment, and work required only occasionally (cnesst.gouv.qc.ca).

This lens matters particularly for contractors who perform work inside the client's establishment. A person CNESST considers a worker can receive occupational injury coverage through the client (cnesst.gouv.qc.ca). Regardless of label, workplace safety orientation should include contractors and other non-employees; the Canadian Centre for Occupational Health and Safety expressly includes contractors in due-diligence programs (ccohs.ca).

Feature Comparison

Table 1 crosswalks the principal facts. It is a triage tool, not a scoring formula. No row should be counted mechanically, and the agencies can give different weight to the same fact.

Factor	Employee indicator	Contractor indicator	Agency lens
Effective subordination	Payer can set schedule, methods, location, reporting, training, and approval.	Provider chooses how, when, and where to deliver the agreed result.	Revenu Québec calls it the most important criterion; CRA applies Civil Code control; CNESST examines subordination.
Financial risk	Regular pay, reimbursed costs, little exposure to loss.	Fixed price, unreimbursed costs, correction risk, collection risk, opportunity for profit.	Revenu Québec and CNESST; BDC notes contractors can incur losses (bdc.ca).
Tools and systems	Payer provides material tools, software, workspace, and support.	Provider selects and pays for substantial business resources.	All three lenses, but no single tool decides status.
Integration	Ongoing internal role, organization title, manager, team routines.	External supplier with its own market presence and several clients.	Revenu Québec and CNESST; practical integration evidence matters (educaloi.qc.ca).
Result and continuity	Work continues as part of normal operations.	Mandate ends on acceptance of a specified result.	Revenu Québec's specific-result criterion.
Helpers or substitution	Personal service required and payer controls replacements.	Provider may organize qualified helpers at its own responsibility where contract and service permit.	Civil Code and actual conduct.
Written intention	Employment terms match payroll and daily practice.	Service terms match invoicing and real autonomy.	CRA step one and step three; Revenu Québec says conduct must agree.
CNESST connection	Worker under employment contract.	May still be deemed a worker if no employees and activities are similar or related, unless an exception applies.	CNESST and LATMP, the occupational injury statute.
Incorporation	Corporation does not erase employee-like facts.	Corporation can operate a genuine independent business.	CRA and Revenu Québec personal services business rules.

The key pattern is that **control and business independence run through every framework**. Secondary indicators strengthen or weaken that central picture. A polished service agreement is useful evidence, but it cannot repair daily practices that contradict it.

Table 2 applies the crosswalk to four hypothetical Montreal engagements. Every example is explicitly a **Hypothetical Example** and identifies questions, not conclusions.

Scenario (Hypothetical Example)	Facts pointing toward employment to investigate	Facts pointing toward contracting to investigate	Separate issue
Freelance designer	Daily set hours, exclusive assignment stream, creative direction on methods, client software and email identity.	Project fee, own design stack, several clients, revision limits, portfolio marketing, ability to hire help.	Confirm invoice and GST/QST data when registered.
Embedded developer	Indefinite sprint role, manager approval, fixed availability, internal title, client laptop, no substitution.	Defined software deliverable, own architecture decisions, milestone pricing, correction risk, concurrent customers.	A long on-site mandate may make integration evidence especially important.
Office cleaner	Client directs sequence and hours, supplies all materials, continuing personal service inside operations.	Cleaner supplies equipment, prices each job, rotates among many customers, hires staff, absorbs rework cost.	CNESST's similar-activity and short-job exceptions need separate review.
Incorporated consultant	One client, employee-like direction, no material corporate risk, individual performs all work.	Corporate team, multiple clients, own systems, negotiated deliverables, genuine business risk and market presence.	Test personal services business rules independently.

The scenarios show why job titles are weak evidence. A designer can be an employee; a cleaner can run an independent enterprise. The inquiry follows the rights, risks, and operating reality of the particular relationship.

Performance and Benchmarks

Worker classification has no responsible numerical score or universal benchmark. A better performance measure is whether the onboarding process produces a consistent, reviewable evidence file before the first day or invoice.

Evidence file benchmark

A complete file should answer:

- **Scope:** What exact result, role, or recurring activity is being purchased?
- **Authority:** Who can assign new work, reject methods, change priorities, or require attendance?
- **Schedule:** Who sets working time, availability windows, and absence approval?
- **Location:** Is a client site required by the work, or selected for convenience?
- **Tools:** Who chooses, owns, maintains, and insures material equipment and licences?
- **Pricing:** Is compensation salary, hourly pay, milestone price, retainer, or deliverable fee?
- **Risk:** Who absorbs overruns, rework, idle time, supplies, insurance, and uncollectible amounts?
- **Helpers:** Can the provider hire and direct qualified assistants or substitutes?
- **Clients:** Can and does the provider serve others and market publicly?
- **Integration:** Does the person hold an internal title, email, manager, benefits, or recurring organizational function?
- **Ending:** Does the relationship end at a result, or continue until employment is terminated?

- **Conduct:** Do schedules, messages, invoices, and system permissions match the contract?

The CRA's own review list validates this evidence-driven approach, naming contracts, invoices, logs, schedules, pay stubs, and cancelled cheques. Professional file practices point the same way. Quebec's CPA regulator, for example, includes a copy of the professional service contract in the mandate file (cpaquebec.ca). Where a service provider receives necessary personal information under Quebec's statutory exception, the mandate or contract must be in writing and address deletion after expiry (cai.gouv.qc.ca (cai.gouv.qc.ca).

Incorporated contractors and personal services businesses

Incorporation is not a classification shortcut. CPA Canada training material states that incorporation does not automatically settle the individual's status (cpacanada.ca). The federal personal services business test asks, among other conditions, whether the individual would reasonably be the client's employee if the corporation did not exist (canada.ca). Revenu Québec uses the same counterfactual concept and does not allow the small business deduction on personal services business income (revenuquebec.ca).

The CRA states that a personal services business bears an additional **5% federal tax** on PSB income (canada.ca). A CPP/EI ruling is not available to decide that hypothetical PSB condition (canada.ca). An incorporated consultant should therefore obtain tax advice that is specific to the corporation, even if the parties also pursue a CPP/EI ruling on another relationship.

Data Analysis and Evidence

The figures below are **2026 contribution parameters**, not a price for choosing one status. They quantify cash-flow differences after a defensible classification. They do not include income tax, vacation indemnity, CNESST assessment, penalties, interest, accounting costs, or sector-specific obligations.

Table 3 provides a current-rate reference and a user-input worksheet. Dollar amounts are Canadian.

Item	2026 verified parameter	Employee path	Self-employed or remediation worksheet use
Regular QPP	Maximum pensionable earnings **$74,600**, basic exemption **$3,500**, rate **6.30% each**, maximum **$4,479.30 each** (revenuquebec.ca)	Employee and employer each fund one share.	Self-employed person funds both shares; for a review, calculate each share separately on eligible pay.
Second additional QPP	Earnings band **$74,600 to $85,000**, **4% each**, maximum **$416 each** (revenuquebec.ca)	Deduct employee share and add employer share.	Add both calculated shares, subject to the band and maximums.
QPIP	Maximum insurable earnings **$103,000**; employee **0.430%**, employer **0.602%**; maxima **$442.90** and **$620.06** (revenuquebec.ca)	Withhold employee premium and add employer premium.	Self-employed rate is **0.764%**, maximum **$786.92** (quebec.ca).

Item	2026 verified parameter	Employee path	Self-employed or remediation worksheet use
EI in Quebec	Maximum insurable earnings **$68,900**; employee **1.30%**, maximum **$895.70**; employer maximum **$1,253.98** (canada.ca)	Deduct and remit employee premium plus employer premium.	Genuine self-employment is not ordinary insurable employment; optional special-benefit rules are separate.
Worksheet total	User enters pay by calendar year and verified eligible bases.	Employee deductions plus employer contributions, capped under each year's parameters.	Potential gross exposure subtotal equals verified employee portion plus employer portion, before any agency-calculated interest or other amounts.

The table shows why a flat percentage estimate is unreliable. Bases and maximums differ by program, and the second QPP tier applies only to a defined band. For under-deducted CPP or EI, CRA guidance states that the employer is responsible for remitting both employee and employer portions (canada.ca). A safe worksheet should therefore calculate program by program and leave penalties, interest, recovery rights, and prior-year treatment blank for professional or agency determination.

Broader data also show that classification affects access to arrangements that can be difficult to price. In Statistics Canada's March 2025 Labour Force Survey, **57.1% of employees** reported employer-provided access to disability insurance (www150.statcan.gc.ca). That national statistic is context, not a Quebec entitlement and not a contractor rate premium.

Implementation: Evidence, Decisions and Onboarding

What to do when indicators conflict

Conflicting indicators are a signal to pause, not to average the rows. The decision sequence should be:

1. **Describe the work before naming the status.** Write the operational facts: authority, schedule, tools, pricing, risk, integration, helpers, clients, and ending condition.
2. **Compare the proposed contract with actual practice.** Interview both sides and review access permissions, calendars, messages, invoices, and expense handling.
3. **Run all three lenses.** Document Revenu Québec's six criteria, CRA's Quebec steps, and CNESST's employment plus deemed-worker analysis.
4. **Change the operating model if necessary.** If a genuine project supplier is intended, ensure autonomy and business risk are real. If the organization needs employee-like control, onboard an employee.
5. **Seek determinations where material uncertainty remains.** Use Revenu Québec's forms for provincial status and CPT1 for CPP/EI. Respect the June 29 deadline for the latter.
6. **Review specialized issues separately.** Incorporation, personal information, language, immigration, professional regulation, and sector rules require their own analysis.

A French-language step may also belong in contract preparation. Since **June 1, 2023**, Quebec's language regulator states that a new standard-form adhesion contract must first be provided in French to the adhering party (oqlf.gouv.qc.ca). This is a contract-language issue, not evidence that one classification applies.

Independent cross-checks before approval

A defensible intake should cross-check the same conclusion against sources outside the payer's own documents. These checks do not add new legal tests. They help expose a contract whose language and daily operation diverge.

- **Do not treat the label as the result.** Éducaloi says a stated status does not guarantee the status that applies, while the Barreau identifies subordination as the most determinative element (educaloi.qc.ca (barreau.qc.ca).
- **Anchor control in the Civil Code.** Employment involves direction or control, while a service relationship lacks subordination (legisquebec.gouv.qc.ca (barreau.qc.ca).
- **Verify market independence.** The ability to work for several clients and genuine choice over assignments, hours, and location are relevant contractor facts (bdc.ca (educaloi.qc.ca).
- **Separate tools from the whole test.** Own tools do not automatically establish contracting; invoicing and profit or loss remain additional facts (bdc.ca (educaloi.qc.ca).
- **Confirm the business identity.** A sole proprietorship is not legally separate from its owner, and the Quebec start-a-business service can register eligible tax accounts (quebec.ca (quebec.ca).
- **Model both QPP shares.** A self-employed worker pays both portions, and Retraite Québec's 2026 illustration shows the maximum employee and self-employed totals (retraitequebec.gouv.qc.ca (retraitequebec.gouv.qc.ca).
- **Retain the signed scope and privacy terms.** Professional file guidance includes the service contract, and applicable personal-information mandates must be written (cpaquebec.ca (cai.gouv.qc.ca).
- **Plan deletion at the end.** In a section 18.3 mandate or contract, specify measures to ensure that the service provider does not keep the communicated personal information after the mandate or contract expires (Légis Québec).
- **Include everyone in safety processes.** CCOHS names contractors among people covered by due-diligence programs and recommends safety discussion during orientation (ccohs.ca (ccohs.ca).
- **Review incorporation separately.** CPA Canada training material states that incorporation does not automatically settle the individual's status (cpacanada.ca (cpacanada.ca).
- **Do not treat benefits data as a status test.** Nationally, 57.1% of employees reported employer-provided disability-insurance access in March 2025, while Quebec employees separately have statutory vacation rules (www150.statcan.gc.ca (cnesst.gouv.qc.ca).
- **Check contract language and registration independently.** French-first rules for adhesion contracts and the sole-proprietor registration timeline concern different compliance questions (oqlf.gouv.qc.ca (quebec.ca).
- **Run the CNESST statutory exception.** Similar or related work in the establishment and short jobs for several customers using supplied equipment require distinct analysis (legisquebec.gouv.qc.ca (cnesst.gouv.qc.ca).
- **Keep workspace facts neutral.** Available Montreal options include furnished private offices and flexible desks, but premises do not determine worker status (2727coworking.com (2727coworking.com).
- **Price protection choices separately.** Self-employed people can lack automatic occupational injury protection and must fund both QPP portions (cnesst.gouv.qc.ca (retraitequebec.gouv.qc.ca).

Onboarding after the decision

For an **employee**:

- Register payroll and provincial source-deduction accounts.
- Complete federal and Quebec tax forms before first pay.
- Document wages, hours, vacation, policies, supervision, tools, and workplace safety orientation.
- Register and report to CNESST as required.
- Issue pay statements and year-end information returns.
- Calendar remittance, annual wage-declaration, and record-retention deadlines.

For an **independent contractor**:

- Confirm legal identity, business name, NEQ where required, and GST/QST registration status.
- Sign a scope with result, price, milestones, acceptance, changes, confidentiality, personal-information handling, and termination terms.
- Record autonomy over methods, genuine expense exposure, tool ownership, helpers, and ability to serve other clients.
- Validate tax details on invoices and preserve proof of payment.
- Address optional insurance and CNESST personal protection based on the real work.
- Schedule a periodic reality check to confirm conduct still matches the agreement.

Workspace choice does not determine status. A contractor can work at a client site, and an employee can work remotely. For founders who separately need premises, 2727 Coworking lists furnished private offices for teams of **1 to 10 people** as well as hot and dedicated desks (2727coworking.com). Its published prices are in Canadian dollars before GST and QST (2727coworking.com). These are practical workspace facts only, not worker-classification indicators.

Implications and Future Directions

The strongest governance model treats classification as a maintained control rather than a one-time contract choice. Relationships evolve. A consultant engaged for one deliverable may become embedded in weekly operations, or an employee-like arrangement may be redesigned into a genuinely independent supplier relationship. A quarterly or milestone review should compare actual conduct with the original evidence file.

Three implications follow:

- **Procurement and HR should share one intake.** Separate vendor and employee forms can hide borderline relationships. A common triage questionnaire makes control and integration visible.
- **Accounting systems should preserve classification evidence.** Vendor master data, invoice descriptions, time records, expense reimbursements, and access logs can corroborate or contradict the written contract.
- **Safety scope should be broad.** Classification does not justify excluding contractors from orientation, hazard controls, or site procedures. CCOHS specifically recommends discussing safety with new workers during orientation (ccohs.ca).

Personal information requires separate treatment: once the purposes for which it was collected or used are achieved, the enterprise must destroy it or anonymize it for serious and legitimate purposes, subject to any preservation period provided for by an Act (Légis Québec).

Frequently Asked Questions (FAQs)

These questions consolidate the practical answers for Quebec worker-classification tests, employee versus contractor taxes, independent-contractor rules, misclassification, and hiring an independent contractor in Quebec.

Can the contract simply say “independent contractor”?

No label guarantees the result. Revenu Québec says the parties' agreement does not determine status, and CRA compares intention with actual working conditions. The contract should accurately describe a relationship that the parties actually follow.

Is one client enough to make a person an employee?

No single fact is automatic. Client concentration can support economic dependence and integration, but control, financial risk, tools, result, helpers, and the complete relationship must also be examined. The ability to provide services to more than one client is a contractor indicator, but the analysis is holistic.

Does incorporation solve the issue?

No. Incorporation does not automatically create contractor status, and employee-like facts can raise personal services business questions. CRA's current federal fact sheet also lists corporation-specific filing duties, including the T2 corporate return (canada.ca).

Can agencies reach different conclusions?

They can apply related facts for different laws and programs. Revenu Québec addresses provincial tax and contributions, CRA can rule on CPP/EI pensionability or insurability, and CNESST applies labour standards and occupational injury rules, including its separate deemed-worker treatment. A decision should be read within its stated scope.

When should a ruling be requested?

Consider a ruling when control, integration, financial risk, or the parties' conduct point in different directions, especially before material payroll exposure accumulates. Either the worker or payer can request a CPP/EI ruling. The ordinary deadline is June 29 of the year following the year in question (canada.ca).

What happens if a contractor is determined to be an employee?

The exact result depends on the program, years, amounts, and decision. Revenu Québec states that the employer would have to pay employer contributions that should have been remitted (revenuquebec.ca). The payer should not estimate penalties or recovery rights without the agency calculation and tailored advice.

What records should each side keep?

Keep the signed agreement and amendments, invoices, payment proof, schedules, work logs, deliverable acceptance, messages showing who made operational decisions, tool and licence records, expenses, insurance, subcontractor records, client lists, tax registrations, and payroll documents. Preserve both the stated arrangement and evidence of real conduct.

Conclusion

The decisive question in Quebec is not what the parties call the worker, but how the relationship actually operates. **Employee status** is most strongly indicated by effective subordination, organizational integration, limited business risk, and continuing personal service. **Independent contracting** is most strongly indicated by real autonomy, a defined result, meaningful profit or loss exposure, business resources, and an external market presence.

Founders should apply three lenses, not one. Revenu Québec's six criteria organize the provincial tax analysis. CRA's Quebec-specific process links intent and Civil Code concepts to actual conduct for CPP/EI. CNESST can separately classify a worker or deem some self-employed people to be workers for occupational injury purposes. None should be reduced to a checkbox count.

The practical response is an evidence-first workflow: describe the operating model, compare it with the contract, test every agency lens, and pursue a ruling where important facts conflict. Once status is supportable, use the matching payroll or contractor onboarding path, retain the file, and review it as the work changes. That process cannot guarantee an agency outcome, but it gives both sides a coherent basis for the decision and a record that can be tested.
